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BEFORE THE ARIZONA CORPORATION COMMISSION  
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COMMISSIONERS

MIKE GLEASON, Chairman  
WILLIAM A. MUNDELL  
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KRISTIN K. MAYES  
GARY PIERCE

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SEP 14 2007

AZ CORP COMMISSION  
DOCKET CONTROL

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IN THE MATTER OF THE APPLICATION OF  
GOLD CANYON SEWER COMPANY FOR A  
DETERMINATION OF FAIR VALUE OF ITS  
UTILITY PLANT AND PROPERTY AND FOR  
INCREASES IN ITS RATES AND CHARGES FOR  
UTILITY SERVICE BASED THEREON.

DOCKET NO. SW-02519A-06-0015

PROCEDURAL ORDER

BY THE COMMISSION:

On January 13, 2006, Gold Canyon Sewer Company ("Gold Canyon" or "Company") filed with the Arizona Corporation Commission ("Commission") an application for a determination of the current fair value of its utility plant and property and for increases in its rates and charges for wastewater utility service provided to customers in the Company's certificated service area in Pinal County, Arizona.

On June 28, 2007, the Commission docketed Decision No. 69664 granting a rate increase to Gold Canyon.

On July 18, 2007, the Residential Utility Consumer Office ("RUCO") filed an Application for Rehearing on two issues raised by RUCO during the hearing: an allegation of "excess capacity" in the Company's treatment plant and the capital structure employed in the Commission's Order.

During a Staff Meeting held on August 1, 2007, the Commission granted rehearing.

On August 23, 2007, a Procedural Order was issued scheduling a procedural conference for August 31, 2007. By Procedural Order issued August 28, 2007, the procedural conference was rescheduled for September 5, 2007.

The procedural conference was held on September 5, 2007. During the procedural conference, the parties discussed, among other things, testimony filing dates and potential hearing dates.

IT IS THEREFORE ORDERED that a hearing on RUCO's application for rehearing shall

1 be scheduled for November 13, 2007, at 10:00 a.m. at the Commission's offices, 1200 West  
 2 Washington Street, Phoenix, Arizona. If necessary, additional hearings will be held on November 14,  
 3 2007.

4 IT IS FURTHER ORDERED that RUCO's Direct Rehearing Testimony shall be filed by  
 5 no later than September 28, 2007.

6 IT IS FURTHER ORDERED that Responsive Rehearing testimony shall be filed by Gold  
 7 Canyon and Staff by no later than October 26, 2007.

8 IT IS FURTHER ORDERED that the Company shall provide public notice of the hearing in  
 9 this matter, in at least 10 point font, in the following form and style:

10 **PUBLIC NOTICE OF HEARING ON THE APPLICATION FOR REHEARING FILED BY**  
 11 **THE RESIDENTIAL UTILITY CONSUMER OFFICE REGARDING DECISION NO. 69664.**  
**DOCKET NO. W-2519A-06-0015**

12 On January 13, 2006, Gold Canyon Sewer Company ("Gold Canyon" or "Company")  
 13 filed with the Arizona Corporation Commission ("Commission") an application for a  
 14 determination of the current fair value of its utility plant and property and for increases  
 15 in its rates and charges for wastewater utility service provided to customers in the  
 16 Company's certificated service area in Pinal County, Arizona. On June 28, 2007, the  
 17 Commission issued Decision No. 69664 granting a rate increase to Gold Canyon. On  
 18 July 18, 2007, the Residential Utility Consumer Office ("RUCO") filed an Application  
 19 for Rehearing on two issues raised by RUCO during the hearing: an allegation of  
 20 "excess capacity" in the Company's treatment plant and the capital structure employed  
 in the Commission's Order. During an Open Staff Meeting held on August 1, 2007,  
 the Commission granted rehearing. Copies of the documents related to this proceeding  
 are available at the Company's offices [insert address and telephone number] and the  
 Commission's offices at 1200 West Washington, Phoenix, Arizona, for public  
 inspection during regular business hours.

21 The Commission will hold a hearing on this matter beginning **November 13, 2007, at**  
 22 **10:00 a.m.**, at the Commission's offices, 1200 West Washington, Phoenix, Arizona.  
 Public comments will be taken on the first day of the hearing. Written public  
 23 comments may be submitted via e-mail (visit  
<http://www.cc.state.az.us/utility/cons/index.htm> for instructions), or by mailing a letter  
 24 referencing Docket No. to W-03512A-06-0407 et al: Arizona Corporation  
 Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ  
 85007. If you have any questions about this proceeding, you may also contact the  
 25 Consumer Services Section of the Commission by calling 1-800-222-7000.

26 The Commission does not discriminate on the basis of disability in admission to its  
 27 public meetings. Persons with a disability may request a reasonable accommodation  
 28 such as a sign language interpreter, as well as request this document in an alternative  
 format, by contacting the ADA Coordinator, Linda Hogan, at

1 LHogan@admin.cc.state.az.us, voice phone number 602/542-3931. Requests should  
2 be made as early as possible to allow time to arrange the accommodation.

3 IT IS FURTHER ORDERED that the Company shall cause the above notice to be  
4 published at least once in a newspaper of general circulation in its service territory, by no later  
5 than October 15, 2007.

6 IT IS FURTHER ORDERED that the Company shall file certification of publication as soon  
7 as practical after the mailing/publication has been completed.

8 IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing/publication  
9 of same, notwithstanding the failure of an individual customer to read or receive the notice.

10 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized  
11 Communications) continues to apply to this proceeding.

12 IT IS FURTHER ORDERED that all parties must comply with Rule 33 (c) and (d) of the  
13 Rules of the Arizona Supreme Court with respect to practice of law and admission pro hac vice.

14 IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance  
15 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the  
16 Rules of the Arizona Supreme Court). Representation before the Commission includes the obligation  
17 to appear at all hearings and procedural conferences, as well as all Open Meetings for which the  
18 matter is scheduled for discussion, unless counsel has previously been granted permission to  
19 withdraw by the Administrative Law Judge.

20 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized  
21 Communications) continues to apply to this proceeding as the matter is now set for public hearing.

22 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend,  
23 or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at  
24 hearing.

25 Dated this 14<sup>th</sup> day of September, 2007

26 

27 DWIGHT D. NODES  
28 ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE

1 Copies of the foregoing mailed/delivered  
2 this 14th day of September, 2007 to:

3 Jay L. Shapiro  
4 Todd Wiley  
5 Patrick J. Black  
6 FENNEMORE CRAIG, P.C.  
7 3003 N. Central Avenue, Ste. 2600  
8 Phoenix, AZ 85012

9 Scott Wakefield  
10 RUCO  
11 1110 West Washington Street, Ste. 220  
12 Phoenix, AZ 85007

13 Andy Kurtz  
14 MOUNTAINBROOK VILLAGE AT GOLD  
15 CANYON RANCH ASSOCIATION  
16 5674 S. Marble Drive  
17 Gold Canyon, AZ 85218

18 Mark Tucker, P.C.  
19 2650 East Southern Avenue  
20 Mesa, AZ 85219  
21 Attorney for Cal-Am Properties, Inc.

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23 Legal Division  
24 ARIZONA CORPORATION COMMISSION  
25 1200 West Washington Street  
26 Phoenix, AZ 85007

27 Ernest G. Johnson, Director  
28 Utilities Division  
ARIZONA CORPORATION COMMISSION  
1200 West Washington  
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ARIZONA REPORTING SERVICE, INC.  
2200 North Central Avenue, Suite 502  
Phoenix, AZ 85004-1481

23  
24 By: 

25 Debra Broyles  
26 Secretary to Dwight D. Nodes  
27  
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